LAWYERS



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## BEFORE THE ARIZONA CORPORATION COMMISSION

2 3 MARC SPITZER Chairman 4 JIM IRVIN 5 Arizona Corporation Commission Commissioner DOCKETED 6 WILLIAM A. MUNDELL 7 Commissioner MAR 2 8 2003 8 MIKE GLEASON DOCKETSUBY Commissioner 9 JEFF HATCH-MILLER Commissioner 10 11 IN THE MATTER OF THE APPLICATION) OF THE ARIZONA ELECTRIC DIVISION 12 OF CITIZENS COMMUNICATIONS DOCKET NO. E-01032C-00-0751 COMPANY TO CHANGE THE CURRENT 13 PURCHASED POWER AND FUEL ADJUSTMENT CLAUSE RATE, TO 14 ESTABLISH A NEW PURCHASED POWER AND FUEL ADJUSTMENT 15 CLAUSE BANK, AND TO REQUEST 16 APPROVED GUIDELINES FOR THE RECOVERY OF COSTS INCURRED IN CONNECTION WITH THE ENERGY 17 RISK MANAGEMENT INITIATIVES. 18 19 IN THE MATTER OF THE APPLICATION OF CITIZENS COMMUNICATIONS 20 COMPANY, ARIZONA GAS DIVISION, DOCKET NO. G-01032A-02-0598 FOR A HEARING TO DETERMINE THE 21 FAIR VALUE OF ITS PROPERTIES FOR RATEMAKING PURPOSES, TO FIX A 22 JUST AND REASONABLE RATE OF RETURN THEREON, AND TO APPROVE 23 RATE SCHEDULES DESIGNED TO

PROVED SUCH RATE OF RETURN.

1384136.1



IN THE MATTER OF THE JOINT APPLICATION OF CITIZENS COMMUNICATIONS COMPANY AND UNISOURCE ENERGY CORPORATION FOR THE APPROVAL OF THE SALE OF CERTAIN ELECTRIC UTILITY AND GAS UTILITY ASSETS IN ARIZONA, THE TRANSFER OF CERTAIN CERTIFICATES OF CONVENIENCE AND NECESSITY FROM CITIZENS COMMUNICATIONS COMPANY TO UNISOURCE ENERGY CORPORATION, THE APPROVAL OF THE FINANCING FOR THE TRANSACTIONS AND OTHER RELATED MATTERS.

DOCKET NO. E-01933A-02-0914 DOCKET NO. E-01032C-02-0914 DOCKET NO. G-01032A-02-0914

## JOINT APPLICANTS' RESPONSE TO SOUTHWEST GAS CORPORATION'S SUPPLEMENTAL APPLICATION FOR LEAVE TO INTERVENE

In its original Application for Intervention, Southwest Gas Corporation ("Southwest") candidly admitted that its real interest in this proceeding concerns the policies or precedents that might be set that could have an impact on future proceedings. Having been denied intervention on those grounds, Southwest now files a Supplemental Application seeking to pursue its interest in this proceeding by using the "hook" that it is a vendor/supplier for Tucson Electric Power ("TEP"). <sup>1</sup> In other words, Southwest seeks intervention in this case because it sells natural gas to TEP under a Commission approved special retail contract. Southwest Gas implies, without any support, that it is concerned about TEP's ability to perform that special retail contract with TEP. This case is not the proper forum for addressing Southwest Gas' concerns about its special retail contract with

Southwest also alleges that it is a customer of both TEP and Citizens, but it is clearly basing its intervention request on its role as a creditor/vendor of TEP.



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TEP. Indeed, any such concerns are addressed by the terms of the special retail contract and applicable tariff provisions. Southwest's Supplemental Intervention Application should be denied.

If the Commission is inclined to grant this Supplemental Intervention, Southwest's intervention should be limited to the TEP loan to UniSource.

RESPECTFULLY SUBMITTED this 28th day of March, 2003.

LEWIS AND ROCA LLP

Ву

Thomas H. Campbell Michael T. Hallam 40 N. Central Avenue Phoenix, Arizona 85004

Attorneys for Joint Applicants

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ORIGINAL AND seventeen (17) copies of the foregoing hand-delivered this 28<sup>th</sup> day of March, 2003, to:

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Arizona Corporation Commission Utilities Division – Docket Control 1200 W. Washington Street Phoenix, Arizona 85007

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COPY of the foregoing hand-delivered this 28<sup>th</sup> day of March, 2003, to:

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Jason Gellman
Lisa A. VandenBerg
Legal Division
Arizona Corporation

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Arizona Corporation Commission 1200 W. Washington Street Phoenix, Arizona 85007

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